UC-NRLF
$B 50 042

YC 39155

LIBRARY
OF THE
UNIVERSITY OF CALIFORNIA.

Class

MUNICIPAL FINANCE

AND

MUNICIPAL ENTERPRISE:

The Annual Address

OF THE

RIGHT HON. SIR H. H. FOWLER, G.C.S.I., M.P.,

PRESIDENT OF THE ROYAL STATISTICAL SOCIETY.

Sold by

P. S. KING & SON,

ORCHARD HOUSE, 2 & 4, GREAT SMITH STREET, WESTMINSTER.

One Shilling.

GENERAL HJ 9422 .W7

CONTENTS OF RECENT ISSUES

Of the Royal Statistical Society's Journal.

Vol. LXII, Part II—*June*, 1899. PAGE

An Investigation into the Causes of Changes in Pauperism in England, chiefly during the last Two Intercensal Decades. Part I. By G. Udny Yule, Assistant Professor of Applied Mathematics, University College, London ... 249—286
Discussion on Mr. Yule's Paper ... 287—295
The Statistical Aspect of the Sugar Question. By George Martineau ... 296—332
Discussion on Mr. Martineau's Paper ... 333—342
Mr. Martineau's Reply ... 343—347
The Stability of Gold and Silver Prices in Recent Years. By Major Leonard Darwin ... 348—372
Miscellanea ... 373—426

Vol. LXII, Part III—*September*, 1899.

Report of the Council for the Financial Year ended 31st December, 1898, and for the Sessional Year ending 30th June, 1899, presented at the Sixty-Fifth Annual General Meeting of the Royal Statistical Society, held at the Society's Rooms, 9, Adelphi Terrace, Strand, London, on the 30th of June, 1899 ... 427—438
Proceedings of the Sixty-Fifth Annual General Meeting ... 439—442
On Life-Tables—their Construction and Practical Application. By T. E. Hayward, M.B. (Lond.), F.R.C.S. (Eng.), Medical Officer of Health for Haydock, Lancashire ... 443—483
Discussion on Mr. Hayward's Paper ... 484—488
The Flag and Trade: a Summary Review of the Trade of the Chief Colonial Empires. By A. W. Flux, M.A. ... 489—522
Discussion on Professor A. W. Flux's Paper ... 522—533
Miscellanea ... 534—596

Vol. LXII, Part IV—*December*, 1899.

Notes on the Food Supply of the United Kingdom, Belgium, France, and Germany. By R. F. Crawford ... 597—629
Discussion on Mr. Crawford's Paper ... 630—638
Some Statistics Relating to Working Class Progress since 1860. By G. H. Wood ... 639—666
Discussion on Mr. Wood's Paper ... 667—675
Miscellanea ... 676—754
Annual Index, vol. lxii (1899) ... 755—769
Appendix. List of Members, Bye-Laws, &c. ... 1— 80

Vol. LXIII, Part I—*March*, 1900.

The International Money Market. By C. Rozenraad ... 1— 32
Discussion on Mr. Rozenraad's Paper ... 32— 40
Census-Taking and its Limitations. By J. A. Baines, C.S.I. ... 41— 58
Discussion on Mr. Baines's Paper ... 58— 71
Miscellanea ... 72—159
Periodical Returns ... 160—182

LIBRARY OF THE UNIVERSITY OF CALIFORNIA

MUNICIPAL FINANCE AND MUNICIPAL ENTERPRISE.

The Annual Address *of*
the Right Hon. Sir Henry Hartley Fowler, G.C.S.I., M.P.,
President *of the* Royal Statistical Society, Session 1899-1900.

Delivered 15*th May*, 1900.

I use the word "municipal," not as confined exclusively to what are called technically municipal authorities of corporate towns, but as including the local authorities by whom local taxation is levied and expended in England and Wales.

The creation of these authorities as they now exist, their varied powers, and the results which they have accomplished, are chapters in the history of England with which, however interesting, I cannot now deal. I must limit myself strictly to the title of my paper, namely, the finance, and the enterprise involved in that finance, of our local authorities.

There are no materials for accurately ascertaining the extent of local taxation in the eighteenth century. That taxation consisted mainly of the poor rate, the county rate, the church rate, and the highway rate.

Mr. Goschen, in his report on local taxation, dated March, 1871, divided the first seventy years of the nineteenth century, as regards local taxation, into three periods. The first, ending 1840, when practically no addition had been made to the then existing rates; the second, from 1841 to 1851, when police rates and borough rates were added; and the third period, from 1851 to 1869, when modern rates, which Mr. Goschen describes as "sanitary "rates and town rates," were superadded.

In 1803 the receipts from the old rates, viz., poor, county, church, and highway, amounted to 5,348,000*l.*, in 1817 to 10,107,000*l.*, in 1827 to 9,544,000*l.*, in 1841 to 8,101,000*l.*, in 1851 to 8,916,000*l.*, in 1862 to 12,207,000*l.*, and in 1868, when the returns of rates were for the first time accurately made up and classified, the total of all local rates reached 16,800,000*l.* In 1891 the amount had reached 27,818,000*l.*, and in 1898 37,605,000*l.* These figures relate solely to rates levied for public purposes, and do not include tolls, dues, and other indirect local taxation, or the receipts from local enterprises carried on by, and at the risk of, local authorities.

159172

The aggregate receipts of the local authorities (including these exceptions) during the last year for which we have returns, viz., the financial year ending 31st March, 1898, excluding loans, were 69,144,000*l.*, and the expenditure for that period, so far as it was not defrayed out of loans, was 67,823,000*l.*, which may be roundly stated as spent as follows:—

	Mlns.
On the relief of the poor	10¼
Police	5
Education	7¾
Streets and highways	8
Public lighting	1¼
Sewerage	1½
Other public works and purposes	7¾
Salaries, superannuation, establishment charges, election expenses, and other payments	3¾
Interest on loans and instalments of principal repaid	14¼
Gas and water works and tramways	5½
Harbours, piers, docks, and quays	1¾
Private improvement works	1
	67¾

The 69,144,000*l.* aggregate receipts, putting them roundly at 69,000,000*l.*, were contributed as follows:—

	Mlns.
Rates	37¾
Treasury subventions, local taxation, grants and other payments from exchequer, and grants under Agricultural Rates Act	11
Receipts from tolls, dues, invested property, fines, fees, &c.	6¼
Sales of property and repayment in respect of private improvements	2¼
Waterworks and gasworks and other undertakings producing revenue	11¾
	69

But, irrespective of these revenues and expenditure, there is also a large and increasing debt, and a capital expenditure defrayed out of borrowed money. The amount of debt incurred by local authorities could not be accurately ascertained in the year 1868, but it was then estimated at 60 million £. The first year for which local taxation returns give the amount of the local debt was 1875, and it was then stated to be 92,820,000*l.*; in 1885 it was 173,207,000*l.*, in 1895 it was 235,335,000*l.*, and in 1898 the outstanding debt was 262,017,000*l.*

The purposes for which this large sum has been borrowed, as far as it is practicable to identify them, may be stated roundly as follows:—

	Mlns.
Poor law purposes and lunatic asylums	14½
Schools	28
Gaols and police stations	1½
Highways and street improvements	31¼
Sewerage	27¼
Markets	6
Cemeteries	2¾
Public buildings, offices, fire engines, and other appliances	6¼
Parks and pleasure grounds, public libraries, museums, bath and washhouses, hospitals, &c.	9¼
Bridges and ferries	4¼
Artizans' and labourers' dwellings, allotments, and small holdings	5
Harbours, piers, docks, embankments, &c.	37
Private improvements and all other purposes, including advances to Manchester Ship Canal	15¾
Waterworks	48
Gasworks	18¼
Electric light	3¾
Tramways	3¼
	262

To appreciate the magnitude of the figures I have been quoting, one must contrast them with those of imperial income and the national debt. The imperial income for the corresponding year ending 31st March, 1898, was 106,614,000*l.*, and the national debt at the end of that year was 638,266,000*l.* Between 1875 and 1898 the national debt was reduced by 131 million £; the local debt was during the same period increased by 170 million £. It must however be borne in mind that of the 262 million £ of local debt a large sum represents money borrowed for reproductive expenditure or for purposes producing income, which produced in the same year a gross income of nearly 19 million £, and a net income of 4 million £; but after this allowance we are face to face with a taxation raised for local purposes of 38 million £ from rates and 11 million £ from imperial funds.

This expenditure is necessary and beneficial. It is an expenditure which cannot be decreased, and must and as I think ought to be largely increased in the interests of the community as a whole. I frankly admit that I am one of those who hold that local taxation is most unfairly levied; that what ought to be levied on both real and personal property is levied on real property exclusively; and that where this is partially remedied by and from the imperial purse, the amount and manner in which that relief is given is most unsatisfactory. However, as that difficult question is now under the consideration of a Royal Commission, it cannot be fairly or fully considered until their report is made.

The objects of local taxation were in the first instance the relief of the poor, the protection of public peace by means of the police, the construction and maintenance of roads and streets and the lighting of the same. That taxation next extended to the works necessary for the preservation of the public health, such as drainage, scavenging, and sewerage, asylums for lunatics, and hospitals for the isolation of infectious diseases, and the establishment of public baths, and the other steps necessary to prevent the spread of such diseases, and the improvement of the dwellings of the working classes. All these are matters as to which there can be no option, they are public obligations to be incurred for the benefit of the whole community, and towards which the whole community should contribute.

The next step in advance was the provision for the intellectual wants of the community in the shape of education, and free libraries. Next recreation, the establishment of art galleries, and the acquisition of parks and open spaces. These objects rest rather upon the principle of the co-operation of the many to secure for the advantage of all those opportunities for the healthy and elevating enjoyment of life, which were previously confined to a limited section of the inhabitants who were able to procure them at their own cost.

Public opinion may have advanced slowly, as it always does in this country, but it has advanced surely, and I do not think that there can be any sound objection to these provisions at the general expense for the benefit of the community at large.

The remaining class of local expenditure deals with the establishing and conducting certain enterprises at the risk and for the benefit of the local communities in which these enterprises are established, and this expenditure must be distinguished from what may be called the primary objects for which local taxation is levied.

I would follow this division in classifying the purposes for which the outstanding debt of 262,017,000*l.* has been raised by local authorities.

£	
137,212,000	for purposes for which local authorities are bound to provide.
36,071,000	for educational and recreative purposes.
87,581,000	for trading and similar purposes.
Total 260,864,000	

Adding to this 1,145,000*l.*, advances for private improvements to be repaid, we make up in round figures the total 262,017,000*l.*

In a detailed consideration of municipal trading enterprises,

I am necessarily confined to municipal boroughs, as the parliamentary return in 1899 which was laid before Parliament does not include other local authorities.

That return deals only with the 265 municipal boroughs in England and Wales, including the whole of the county boroughs, but excluding the London County Council; but practically this return may be taken to represent the principal municipal enterprises of England and Wales, although of course there are similar undertakings carried on by other local authorities in more restricted localities.

These undertakings may be divided into six principal classes:—

Waterworks.
Gasworks.
Markets.
Tramways.
Electric lighting.
Piers, quays, and harbours.

It may be stated that with the exception of markets, most of which were founded originally under charters, only 46 of these enterprises were commenced before 1850. But some of the waterworks owned by municipalities date from very early times—Southampton from the year 1420, Hull from 1447, Bath from 1500, Plymouth from 1590, Rye from 1600, and Oxford from 1694. We thus see that even in ancient days those who were responsible for the management of some municipalities at least recognised the importance of a good supply of pure water to the public. Of these enterprises waterworks and gasworks are the principal ones, involving the largest amount of capital and the largest receipts. There are 173 municipal boroughs who own the waterworks supplying their respective localities. Of these the bulk were established by private companies, and subsequently purchased by the municipal authorities.

The figures relating to the 173 waterworks now under municipal control show—

	£
Total capital provided by corporations	48,434,890
Capital borrowed	46,546,391
Amount of debt paid off	5,140,486
,, in sinking funds or loans funds	1,332,508
Average annual income for the five years ending 31st March, 1898, or where undertaking commenced during that period, from date of commencement	2,644,937
Average working expenses for the same periods	902,612
,, annual amount paid for interest, and instalments of principal on capital borrowed	1,699,322
Average annual amount set apart for depreciation	15,211
Net average annual profit	27,792

There are 87 corporations who own their gasworks. The figures relating to these 87 gasworks are:—

	£
Total capital provided	20,175,764
Capital borrowed	19,254,350
Amount paid off	3,457,329
In sinking funds	1,075,802
Average annual income	4,517,126
„ working expenses	3,336,918
„ amounts paid for interest and instalments of principal	772,535
Average annual depreciation	37,333
Net average annual profit	370,340

There are 204 corporations who own their markets. The figures are as follows:—

	£
Capital provided	4,770,301
„ borrowed	4,211,695
„ paid off	1,361,518
In sinking funds	219,339
Average annual income	454,304
„ working expenses	204,826
„ annual amount paid for interest and instalments of principal	155,681
Depreciation	460
Net average annual profit	93,337

There are 28 corporations who own their tramways. The figures are as follows:—

	£
Capital provided	3,213,654
„ borrowed	2,689,384
„ paid off	499,377
In sinking funds	104,969
Average annual income	435,942
„ working expenses	302,670
„ annual amount paid for interest and instalments of principal	90,705
Annual depreciation	8,488
Net average annual profit	34,079

There are 55 corporations who own electric light works. The figures are:—

	£
Capital provided	3,416,711
„ borrowed	3,108,533
„ paid off	108,848
In sinking funds	101,642
Average annual income	304,499
„ working expenses	168,755
„ annual amount paid for interest and instalments of principal	126,659
Annual depreciation	3,747
Net average annual profit	5,338

There are 17 corporations who own piers, quays, &c. The figures are:—

	£
Capital provided	4,797,489
„ borrowed	4,676,829
„ paid off	361,522
In sinking funds	143,029
Average annual income	324,780
„ working expenses	197,495
„ annual amount paid for interest and instalments of principal	175,427
Annual depreciation	13,660
Net average loss	61,802

The summary of the foregoing, and of similar figures in respect of baths, cemeteries, working class dwellings, and other miscellaneous enterprises which the Local Government Board regard as reproductive undertakings carried on by municipal boroughs in England and Wales. The total results are:—

		£
Amount of capital provided		88,152,595
„ „ borrowed		83,379,931
„ paid off	£11,720,904	
To which must be added amounts in sinking funds or loan funds	3,203,597	
		14,924,501
Average annual income for five years ended March, 1898, or, when the undertaking commenced during that period, from the date of commencement		8,898,376
Average annual working expenses		5,319,597
„ annual amount paid for interest and instalment of principal		3,127,271
Set apart for depreciation		81,167
Leaving the average annual net profit of all municipal reproductive undertakings		370,341

The profit in the great majority of cases is applied in reduction of rates. The practical result is that the income produced by the existing municipal enterprises pays the working expenses, the interest and instalments of borrowed capital, and leaves a profit balance of 370,341*l.*, or about $\frac{1}{2}$ per cent. on the outstanding debt, which the Local Government Board, after making certain corrections on the foregoing figures, put at 71,883,232*l.*

There is no doubt that the tendency of the present day is in the direction of combination, by which the public can secure greater advantages at a cheaper rate, and in a more efficient manner than they could secure them by private enterprise, and there are beyond question certain public needs which ought to be supplied under the control of the local authorities. The difficulty arises as to what is the true boundary line which must be maintained between public enterprise carried on at the public cost and

at the public risk, and private enterprise carried on by individual traders or a combination of individual traders in partnership or in companies. The history of the manner in which Parliament has hitherto dealt with this question must be recalled.

There are undertakings which require parliamentary sanction and legislative powers for their establishment and management. No individual trader, no private company, can establish for himself or themselves the right to compulsorily acquire other people's property, or to use for their own advantage the roads and highways, which belong to the public. This country has adopted in the United Kingdom the principle that the railways of the country should be provided by private capital, and conducted by private management under public control. In India and in some of the Colonies railways are either partially or altogether managed by the Government. In addition to railways Parliament has vested large powers in joint stock undertakings for the construction and management of waterworks, gasworks, and similar undertakings. The legislature has accompanied the grant of these powers with elaborate conditions, for public control for securing the public convenience, for guarding the public safety, and for enabling the public on certain terms and under certain conditions to compulsorily acquire these undertakings.

So far as railways are concerned, I submit, that if the railways of this country are contrasted with what are called the State railways of many foreign countries, the contrast is favourable to the superiority of the management of our railway system. There may be some points on which State control results in a more economical mode of transport. But I am satisfied that no government department could manage the railway system of this country with the efficiency, the safety, and the speed which our great railway companies supply.

But be that as it may, we have, in the case of railways, vast private undertakings in which the whole community are vitally interested carried on by private management, invested with large statutory powers, but subject to public control, which successive legislation makes more and more stringent. The competition between one railway and another is now a competition of convenience and speed. A cut-throat competition in railway fares is practically impossible. Stephenson's maxim that "where com- "bination was possible competition was impossible," so far as railway fares are concerned, has been proved to be true. But where there are two competing lines, say, *e.g.*, between London and Birmingham, or London and Edinburgh, going through different tracks of country and charging the same rates, there is an effective competition in the conveniences and speed of the two systems.

But in modern times we have seen another kind of locomotion gradually growing into public favour and serving a great public need—the construction of tramways in local districts. It is impossible to have two sets of tram rails in the same streets, say of any borough. You must have but one system, no matter by whom it is owned. In other words, it must be a monopoly, and as such using the public roads and streets which belong to the community.

There are also undertakings which are for the common good and for the general use of the whole community. The supply of pure water, and of artificial light, fall within this category.

Parliament has by general legislation controlled the management of certain undertakings which are for the common good and general use of the whole community, and has sanctioned in the public interest the transfer of these undertakings to municipal public authorities. I do not suppose that any controversy will arise as to the wisdom of the course which Parliament has adopted with respect to undertakings of the character to which I have referred.

There is a difference of opinion as to the extent to which municipal enterprise should be further carried. Lord Avebury, in a recent paper read before the London Chamber of Commerce, says that among the businesses which various municipalities are in the present session asking Parliament to grant them powers to undertake, are banking, pawnbroking, coal supply, saddlery, manufacture of electrical fittings, of the residual products of gas, and other branches of trade and manufacture.

Those who favour these and similar extensions of municipal trading, allege that a public authority can raise money more easily and cheaply than a private company can, and that therefore to leave certain undertakings in private hands is to sacrifice an economical advantage,—that if a profit can be made out of the general supply of some community, why should not the community realise that profit for itself,—and that as certain undertakings are of necessity monopolies, it is better that public authorities should hold these monopolies and carry them on for the public benefit.

In opposition to this it is alleged that the great difficulty of a corporation engaging in a trade is to hold the balance evenly between the ratepayer as a proprietor of the corporation undertaking, and the ratepayer as consumer, that where manufacturing or commercial undertakings are in the hands of the public authority, the power and authority of the authority is used to defend them as such, and to prevent anyone else conducting a competing trade,—that in any branch of industry which is of a mobile character, and which depends on the education of the public and the tempting of

customers, it is desirable that the private capitalist, who understands his own business, should be free to conduct it in his own way. Without deciding as to the force of these conflicting arguments, I want to point out what appears to be some of the practical considerations which deserve special attention.

The extension of municipal enterprises beyond those which Parliament has practically sanctioned, involves consideration of (1) the nature and objects of the undertakings which it is proposed to entrust to the municipal authorities, (2) the capital outlay, (3) the probable income and financial results, (4) the management required, the protection of the interests of the ratepayers, (5) the question of competition or monopoly, (6) the protection of the general consumers against any charge beyond those of the open market, and (7) the guarding against extravagant expenditure by the authorities or permanent officials on whom the conduct and control of these undertakings will devolve.

I apprehend that there will be a general agreement that any extension of municipal enterprise should be confined to such undertakings as are clearly for the common good and the general use of the whole community, and that they should comprise undertakings which it is for the public advantage that they should be placed under public control.

It must, however, be borne in mind that the general user cannot decide the question of municipal enterprise. Take two articles which are perhaps in very general use, tobacco and beer. If general user is to be the test, it might be urged that public bodies should become manufacturers of tobacco and beer. They would be the guardians of the purity of both these commodities, and possibly they might carry them on so as to produce such a profit as would be an advantage to the community where they were located; but if the price was higher than the actual cost, the consumers of these articles are taxed to the relief of rates for the benefit of those who do not smoke and who do not drink beer. If, on the other hand, the prices are lower than the cost price, then the general ratepayers, including those who do not smoke and who do not drink, are taxed in order to supply cheap tobacco and cheap beer for a section of the community.

So far as the financial question is concerned it would, I think, be admitted that where undertakings are promoted by public authorities or private persons there is no getting rid of the capitalist. Whether the undertaking is established by the private individual or by a corporation, private or public, the capital will still have to be found, and the cost of finding that capital is a charge that will have to be met.

In raising capital for public purposes, all property of the

community is in effect chargeable with its repayment with interest, and the public should therefore be guarded as far as possible against the risk of loss, and that to a great extent depends upon whether the management of the undertaking proposed is such as can be efficiently and successfully carried on by an unpaid public body having no personal pecuniary interest. This question of management is a main factor in the classification of enterprises which can or cannot be undertaken by public authorities. The industrial success of this country, whether it be manufacturing or commercial, has been attained by individual energy, impelled by the motive of individual ambition and profit, and devoting time and energy to the most minute and continuous superintendence of every detail.

And to these characteristics of individual management must be added the constant discoveries of inventions both in machinery, manufacture, materials, and distribution, which render such enormous services to the trade of this country.

Public undertakings must be carried on under the check of an impartial and constant audit. The system of audit by a public official which prevails through every department of local government, does not as yet apply to municipal boroughs, although Parliament, in the recent London Government Act, wisely applied this efficient audit to the metropolitan boroughs, it does not apply to municipal boroughs. This necessity for a thorough system of Government audit I regard as vital.

The question of competition with private traders is of the greatest importance. The municipality taxes the whole community, and in that taxation includes the private trader, and therefore in the case of competition with that trader, he is compelled to contribute to a fund which might be employed to compete with him in his own business, and so to destroy his trade.

And not only is the competing trader affected, but the general consumer may have to pay a higher price in consequence of the creation of a monopoly. We have hitherto regarded it as the right of every citizen to buy in the cheapest market, and safeguards would be required to prevent any interference with this principle.

The essential principle of free trade is that the whole body of consumers are not to be taxed for the benefit of the producers, and while we have to carefully eliminate from our commercial system everything which infringes that principle, we must not allow it to be violated for the benefit of public authorities any more than for the benefit of private traders.

Parliament has just appointed a joint committee of both Houses to consider the principles which should govern the power given

LIBRARY OF THE UNIVERSITY

to municipal and other local authorities for industrial enterprises.

An inquiry into municipal trading is neither directly nor indirectly an attack upon our municipal institutions. Those institutions have worked well in the past, they have accomplished great benefits to the advantage of the whole community, and it would be worse than a mistake in any way to hamper or to interfere with their beneficent operations.

I have been too long and too intimately connected with municipal life to be a party to such a proceeding. I have always advocated placing the supply of public water, of public light, and similar undertakings in the hands of the municipalities, and I am not prepared to accept the theory that the limit of successful municipal work has been reached, but when municipal and local bodies are claiming wider powers, embracing new areas of commercial and industrial activity, questions arise not only as to the extent to which those powers should be granted, but also as to the regulations and checks by which they should be accompanied. I have referred to some of these questions—there are others of great importance—and I think that a full and impartial consideration will be a great public advantage. Of course particular cases must be dealt with on their own merits, but all cases should be subject to the same provisions for guarding the interests of the ratepayers, for securing a strict supervision and audit of the expenditure of public money, for preventing the creation of unnecessary patronage, and for preventing the creation of a monopoly which would practically exclude legitimate competition.

It is impossible until such an inquiry has been completed to lay down any specific rules, or in other words to anticipate the conclusion to which the Committee may arrive. We can only point out the dangers and difficulties which may arise, the risks which may be run, and the injustice that might result.

The true friends of municipal life and institutions are those who desire to see that life developed and those institutions strengthened on the broad basis of public benefit and of public support. They will not be disposed to sacrifice the rare advantages of the devotion, wise supervision and experienced management and administration which are the advantages of the voluntary public service of that large army of citizens who control our local administration, but they will recognise that there are limits to the extent and efficiency of that management—they will see that it must not conflict with the just interests of the ratepayers—the traders, and the public, and they will not weaken the strength and value of municipal administration by extending it beyond those limits.

APPENDIX.

TABLE I.—*Purposes for which the Outstanding Loans of Local Authorities have been Raised, and Amounts Outstanding in respect of each purpose at 31st March*, 1898.

	£	£
Waterworks.		
Town councils	42,547,294	
Urban district councils (districts other than boroughs)	3,880,877	
Joint boards and joint committees	768,151	
Rural district councils	671,091	
		47,867,413
Harbours, Piers, Docks, and Quays.		
Harbour, pier, and dock authorities (including certain town and other urban district councils)	33,775,913	
Other authorities	425,109	
		34,201,022
Highways, including Street Improvements.		
Town councils	15,303,338	
Urban district councils (districts other than boroughs)	1,690,709	
London County Council	11,332,430	
Metropolitan vestries and district boards	1,216,578	
Commissioners of Sewers of the City of London	1,232,915	
Corporation of London and other authorities	506,718	
		31,282,688
Schools (including technical schools, reformatories, and industrial schools).		
Board schools, school board offices, reformatories, and industrial schools—		
School Board for London	9,316,551	
Other school boards	17,859,974	
County councils (reformatories, &c.)	24,696	
Technical instruction (buildings, &c.)—		
County councils, town councils, and councils of urban districts other than boroughs	602,173	
Other schools and colleges—		
Town councils and the Corporation of London	121,383	
		27,924,777
Sewerage and Sewage Disposal Works.		
Town councils	13,638,950	
Urban district councils (districts other than boroughs)	6,486,839	
London County Council	3,864,376	
Joint boards and joint committees	1,449,481	
Rural district councils	1,497,041	
Metropolitan vestries and district boards	253,319	
		27,190,006
Carried forward	—	168,465,906

TABLE I *Contd.—Purposes for which Outstanding Loans have been Raised.*

	£	£
Brought forward	—	168,465,906
Gasworks.		
Town councils	15,589,984	
Urban district councils (districts other than boroughs)	2,146,957	
Joint boards	555,178	
		18,292,119
Poor Law Purposes, &c.		
Workhouses, infirmaries, schools, hospitals, &c.—		
Boards of guardians	6,796,992	
Managers of asylum and school districts	2,486,164	
Vestry offices—		
Churchwardens and overseers	20,900	
Union Assessment Acts—		
Boards of Guardians	4,142	
		9,308,198
Markets.		
Corporation of London	2,708,300	
Town councils	2,737,495	
Urban district councils (districts other than boroughs)	301,060	
Commissioners of markets and fairs	56,570	
		5,803,425
Parks, Pleasure Grounds, Commons, and Open Spaces.		
Town councils	3,310,815	
Urban district councils (districts other than boroughs)	528,802	
Metropolitan vestries and district boards	317,604	
London County Council	1,006,500	
Corporation of London	194,000	
Other authorities	37,111	
		5,394,832
Public Buildings, Offices, &c. (not included under other headings).		
Town councils	4,195,403	
Urban district councils (districts other than boroughs)	492,980	
Metropolitan vestries and district boards (mortuaries, vestry halls, offices, &c.)	321,453	
London County Council (additional office accommodation and coroners' courts)	30,976	
County councils other than the London County Council (shire halls, assize courts, judges' lodgings, and petty sessions rooms)	291,011	
Corporation of London (the Royal Exchange)	41,600	
Receiver for the Metropolitan police district (police courts)	50,000	
Parish councils (parish rooms, parish offices, vestry halls, and parish halls)	8,017	
		5,431,470
Carried forward	—	212,695,950

TABLE I *Contd.—Purposes for which Outstanding Loans have been Raised.*

	£	£
Brought forward	—	212,695,950
Lunatic Asylums.		
County councils other than the London County Council	3,062,101	
Town councils	1,170,888	
London County Council	930,369	
Corporation of London	8,000	
		5,171,358
Advances to the Manchester Ship Canal Company.		
Town Council of Manchester	—	5,127,980
Housing of the Working Classes.		
London County Council	1,776,988*	
Town councils—		
Under Artizans and Labourers' Dwellings Improvement Acts and Artizans' Dwellings Acts	2,113,679	
Under Housing of the Working Classes Acts, 1890 and 1894	495,813	
Under local Acts	110,793	
Urban district councils (districts other than boroughs)	42,172	
Rural district councils	1,445	
Metropolitan vestries and district boards and the Commissioners of Sewers of the City of London	216,004	
		4,756,894
Bridges and Ferries.		
London County Council	1,772,039	
Corporation of London	1,050,900	
Town councils	1,000,336	
Urban district councils (districts other than boroughs)	328,681	
Other authorities	122,966	
		4,274,922
Electric Lighting.		
Town councils	3,057,739	
Urban district councils (districts other than boroughs)	134,142	
Metropolitan vestries and district boards	482,601	
London County Council	159	
		3,674,641
Carried forward	—	235,701,745

* Including 717,319*l.* in respect of loans raised since the passing of the Housing of the Working Classes Act, 1890.

TABLE I *Contd.—Purposes for which Outstanding Loans have been Raised.*

	£	£
Brought forward	—	235,701,745
Tramways.		
Town councils	2,402,149	
Urban district councils (districts other than boroughs)	49,673	
London County Council	803,923	
		3,255,745
Land Drainage, Embankment, River Conservancy, and Sea Defences.		
Drainage, embankment, and conservancy boards, and Commissioners of Sewers (extra-metropolitan)	2,143,672	
Town councils	600,668	
Urban district councils (districts other than boroughs)	117,395	
London County Council	35,445	
		2,897,180
Cemeteries and other Burial Grounds.		
Town councils	288,064*	
Urban district councils (districts other than boroughs)	272,224*	
Joint boards and joint committees	10,172*	
Rural district councils	59,341*	
Parish councils acting under the Burial Acts	137,184	
Burial boards and other local authorities (except parish councils) acting under the Burial Acts	1,962,345	
		2,729,330
Baths, Washhouses, and Open Bathing Places.		
Town councils	992,712	
Urban district councils (districts other than boroughs)	80,868	
Metropolitan vestries (parishes in Schedule A to the Metropolis Management Act, 1855)	513,602	
Commissioners of Baths and Washhouses and certain other authorities administering the Baths and Washhouses Acts	288,418	
		1,875,600
Carried forward	—	246,459,600

* In respect of cemeteries provided under the Public Health (Interments) Act, 1879, or under local Acts, in cases where the authority does not act as a burial board under the Burial Acts.

TABLE I *Contd.—Purposes for which Outstanding Loans have been Raised.*

	£	£
Brought forward	—	246,459,600
Hospitals.		
Town councils	1,128,855	
Urban district councils (districts other than boroughs)	182,390	
Joint boards and joint committees	180,109	
Rural district councils	146,298	
Port sanitary authorities, &c.	30,304	
		1,667,956
Police Stations, Gaols, and Lock-up Houses.		
County councils other than the London County Council	471,425	
Town councils	463,339	
Receiver for the metropolitan police district	475,000	
London County Council	5,333	
		1,415,097
Public Libraries, Museums, and Schools of Science and Art.		
Town councils	651,185	
Other authorities	223,821	
		875,006
Fire Engines and other Appliances, and Fire Brigades.		
London County Council (Metropolitan Fire Brigade)	541,943	
Town councils	216,789	
Urban district councils (districts other than boroughs)	56,906	
Rural district councils	1,749	
		817,387
Slaughter Houses.		
Town councils	146,228	
Urban district councils (districts other than boroughs)	36,112	
		182,340
Allotments.		
Town councils	38,219	
Urban district councils (districts other than boroughs)	11,921	
Rural district councils	21,852	
County councils other than the London County Council	6,542	
Parish councils	298	
		78,832
Carried forward	—	251,496,218

TABLE I *Contd.—Purposes for which Outstanding Loans have been Raised.*

	£	£
Brought forward	—	251,496,218
Small Holdings.		
County councils other than the London County Council	—	6,316
Private Improvement Works.		
Town councils	529,424	
Urban district councils (districts other than boroughs)	597,741	
Rural district councils	17,556	
		1,144,721
*Loans for other Works and Purposes, and Unapportioned Loans.**		
Town councils (municipal accounts)	1,817,000*†	
„ (other accounts)	4,742,848*‡	
Urban district councils (districts other than boroughs)	810,686*§	
London County Council	1,421,270‖	
Metropolitan vestries and district boards	406,348	
County councils other than the London County Council	141,191	
Rural district councils	25,039¶	
Salmon and freshwater fishery conservancy boards	1,915	
Trustees of certain metropolitan squares	1,544	
Parish councils	1,876	
Port sanitary authorities	180	
		9,369,897
Total	—	262,017,152

* Including loans which were raised for two or more of the purposes mentioned in this table, but which it has not been found practicable to apportion among the several purposes.

† Including 100,000*l.* in respect of subscription to Hull and Barnsley Railway, 168,550*l.* for expenses of incorporation and of local Acts, and 534,727*l.* for purposes connected with corporate property (other than that specified under separate headings).

‡ Including 135,392*l.*, costs of local Acts; 176,053*l.* for improvement of insanitary property at Liverpool, 376,134*l.* for night-soil removal works at Manchester, and 4,757*l.* under the Museums and Gymnasiums Act, 1891.

§ Including 78,552*l.*, costs of local Acts.

‖ Comprising 1,284,892*l.* on account of the Thames Tunnel and Subway, 28,295*l.* weights and measures, 7,273*l.* gas meter testing, 1,572*l.* electric meter testing, and 99,238*l.* workshops and store yards.

¶ Including 332*l.* legal expenses and costs of local Acts.

TABLE II.

Loans Owing by the several Classes of Local Authorities at 31st March, 1898.

	County Boroughs.	Other Boroughs.		
Town Councils (accounts other than municipal accounts, excluding accounts of town councils acting as burial boards)—	£	£	£	£
Waterworks	34,651,103	7,896,191	42,547,294	
Sewerage and sewage disposal works	9,219,553	4,419,397	13,638,950	
Street improvements	12,826,606	2,476,732	15,303,338	
Gasworks	11,868,822	3,721,162	15,589,984	
Electric lighting	2,541,520	516,219	3,057,739	
Parks, pleasure grounds, commons, and open spaces	2,743,752	567,063	3,310,815	
Markets	2,006,661	730,834	2,737,495	
Housing of the working classes	2,662,543	57,742	2,720,285	
Tramways	2,241,167	160,982	2,402,149	
Baths, washhouses, and open bathing places	678,840	313,872	992,712	
Hospitals	950,265	178,590	1,128,855	
Slaughter houses	91,258	54,970	146,228	
Cemeteries	172,620	115,444	288,064	
Fire engines and other appliances	179,004	37,785	216,789	
Public offices and buildings	193,857	37,285	231,142	
Sea defences	99,436	74,353	173,789	
Costs of local Acts	81,808	53,584	135,392	
Allotments	18,263	19,956	38,219	
Private improvement works	304,279	225,145	529,424	
Loans for other purposes, and unapportioned loans*	4,332,279†	619,126	4,951,405	
	87,863,636	22,276,432		110,140,068
Town Councils (municipal accounts, excluding accounts of town councils acting as harbour, pier, or dock authorities)—				
Lunatic asylums	1,142,058	28,830	1,170,888	
Municipal buildings (not included under other headings)	3,177,349	786,912	3,964,261	
Prisons	130,712	10,014	140,726	
Police stations	259,036	63,577	322,613	
Schools and colleges	100,883	—	100,883‡	
Technical instruction (buildings, &c.)	425,218	93,969	519,187	
Public libraries, museums, and schools of science and art	560,884	90,301	651,185	
Bridges and ferries	776,971	223,365	1,000,336	
Corporate property (other than that specified under separate headings)	394,584	140,143	534,727	
Piers, docks, and quays	129,992	228,555	358,547	
Expenses of incorporation and of local Acts	104,116	64,434	168,550	
Advances to the Manchester Ship Canal Company	5,127,980	—	5,127,980	
Loans for other purposes, and unapportioned loans*	1,087,606	144,762	1,232,368§	
	13,417,389	1,874,862		15,292,251
Carried forward	—	—	—	125,432,319

* Including loans which were raised for two or more of the purposes specifically enumerated above, but which it has not been found practicable to apportion among the several purposes.

† Including 308,234*l.* for floods prevention at Leicester, 176,053*l.* for the improvement of insanitary property at Liverpool, and 376,134*l.* for night-soil removal works at Manchester.

‡ Including 81,695*l.* for university buildings.

§ Including 100,000*l.* in respect of subscription to Hull and Barnsley Railway, 99,633*l.* in respect of loans raised under the Bristol (River Frome) Act, 1887, and the Bristol Floods Prevention Act, 1890, and 19,012*l.* for sea defences.

TABLE II *Contd.—Loans Owing by the several Classes of Local Authorities.*

	£	£
Brought forward	—	125,432,319
Urban District Councils (*Districts other than Boroughs*) (excluding accounts of councils acting as burial boards, or as harbour, pier, or dock authorities).		
Sewerage and sewage disposal works	6,486,839	
Waterworks	3,880,877	
Street improvements	1,690,709	
Bridges and ferries	328,681	
Gasworks	2,146,957	
Electric lighting	134,142	
Parks, pleasure grounds, and open spaces	528,802	
Markets	301,060	
Tramways	49,673	
Baths, washhouses, and open bathing places	80,868	
Hospitals	182,390	
Slaughterhouses	36,112	
Cemeteries	272,224	
Fire engines and other appliances	56,906	
Public offices	492,980	
„ libraries and museums	49,613	
Technical instruction (buildings, &c.)	68,341	
Piers, docks, and quays	30,847	
Sea defences	117,395	
Costs of local acts	78,552	
Allotments	11,921	
Housing of the working classes	40,635	
Private improvement works	597,741	
Loans for other purposes, and unapportioned loans	733,671*	
		18,397,936
Metropolitan Vestries (*parishes in Schedule A to the Metropolis Management Act*, 1855) *and District Boards* (excluding accounts under the Burial Acts).		
Highways and street improvements	1,216,578	
Sewerage and drainage works	253,319	
Parks, pleasure grounds, and open spaces	317,604	
Bridges	34,365	
Electric lighting	482,601	
Public conveniences	80,191	
Baths and washhouses	513,602	
Public libraries and museums	67,481	
Housing of the working classes	43,504	
Mortuaries and places for holding post-mortem examinations and inquests	16,272	
Depôts, wharves, yards, and refuse destructors	314,681	
Other public buildings	305,707	
„ works	11,476	
		3,657,381
Carried forward	—	147,487,636

* Including 1,537*l.* in respect of labouring class dwellings under Provisional Orders of the Local Government Board.

TABLE II *Contd.—Loans Owing by the several Classes of Local Authorities.*

	£	£
Brought forward	—	147,487,636
Corporation of London.		
Markets	2,708,300	
Bridges	1,050,900	
Holborn Valley and Farringdon market improvements	387,300	
Open spaces	194,000	
Other purposes (including loans raised for the Commissioners of Sewers of the City of London)	395,060	
Deduct—Loans raised for the Commissioners of Sewers of the City of London	4,736,100 325,500	
		4,410,600
Commissioners of Sewers of the City of London.		
Street improvements	1,232,915	
Housing of the working classes	172,500	
		1,405,415*
Joint Boards and Joint Committees for certain purposes.		
Sewerage and sewage disposal works	1,449,481	
Waterworks	768,151	
Gasworks	555,178	
Hospitals	180,109	
Cemeteries	10,172	
		2,963,091
Harbour, Pier, and Dock Authorities (including town and other urban district councils acting as harbour, pier, and dock authorities)	—	33,775,913
School Boards.		
School Board for London	9,316,551	
Other school boards	17,859,974	
		27,176,525
London County Council.		
Street improvements and embankments	11,332,430	
Main drainage	3,864,376	
Bridges and ferry	1,772,039	
Housing of the working classes	1,776,988†	
Thames tunnel and subway	1,284,892	
Parks, commons, and open spaces	1,006,500	
Tramways	803,923	
Lunatic asylums	613,955	
Fire brigade	541,943	
Workshops and storeyards	99,238	
Carried forward	—	217,219,180

* This was the amount outstanding when the authority ceased to exist in January, 1898.

† Including 717,319*l.* in respect of loans raised since the passing of the Housing of the Working Classes Act, 1890.

TABLE II *Contd.—Loans Owing by the several Classes of Local Authorities.*

	£	£
Brought forward	—	217,219,180
London County Council—contd.		
Thames river (prevention of floods)	35,455	
Weights and measures	28,295	
Other purposes	43,755	
Loans taken over on adjustment of liabilities, &c., between the counties of Middlesex and Surrey, and London—		
Lunatic asylums	316,414	
Prisons	5,333	
Industrial schools	127	
Loans to other local authorities	15,710,726	
	39,236,379*	
Deduct—Loans owing to the Council by other local authorities	15,710,726	
		23,525,653
County Councils other than the London County Council.		
Lunatic asylums	3,062,101	
Police stations, gaols, and lock-up houses	471,425	
Shire halls, assize courts, judges' lodgings, and petty sessions rooms	291,011	
Reformatories and industrial schools	20,794	
County bridges	83,218	
Highways	44,532	
Technical instruction (buildings, &c.)	14,645	
Allotments and small holdings	12,858	
Other purposes	144,024†	
		4,144,608
Receiver for the Metropolitan Police District.		
Central office, police stations, &c.	475,000	
Police courts	50,000	
		525,000
Poor Law Authorities.		
Boards of guardians (workhouses, infirmaries, land, &c.)	6,801,134	
Managers of asylum and school districts (asylums, hospitals, schools, offices, &c.)	2,486,164	
Churchwardens and overseers (vestry offices)	20,900	
		9,308,198
Carried forward	—	254,722,639

* The loans outstanding are stated in gross; whereas, in the tables prefixed to the Annual Money Bill laid before Parliament by the Council, they are shown at their net amount, after deducting the value of land let on lease and other assets. The amount is apportioned approximately among the several purposes for which it had been raised.

† Including 2,833*l.*, the outstanding balance of a loan raised to pay contributions towards the construction of a new bridge by the Corporation of Stockton; 7,000*l.* for a dairy farm; and 125,253*l.* in respect of a loan raised to pay the London County Council a balance of moneys due to them under an award of the Local Government Act Commissioners.

TABLE II *Contd.—Loans Owing by the several Classes of Local Authorities.*

	£	£
Brought forward	—	254,722,639
Burial Boards and other local authorities (except parish councils) acting under the Burial Acts	—	1,962,345
Rural District Councils (accounts other than those relating to highways).		
Sewerage and sewage disposal works	1,497,041	
Waterworks	671,091	
Hospitals	146,298	
Cemeteries	59,341	
Allotments	21,582	
Street improvements	3,664	
Private improvement works	17,556	
Other purposes	29,988	
		2,446,831
Highway Authorities in Rural Districts	—	61,787
Turnpike Trustees	—	9,435
Parish Councils.		
Purposes of the Burial Acts	137,184	
Parish rooms, parish offices, vestry halls, and parish halls	8,047	
Recreation grounds	356	
Allotments	298	
Public lighting	1,476	
Other parish property	400	
		147,761
Drainage, Embankment, and Conservancy Boards	2,070,332	
Commissioners of Sewers (extra-metropolitan)	73,340	
		2,143,672
Commissioners of Baths and Washhouses and certain other authorities administering the Baths and Washhouses Acts	—	288,418
Commissioners for Public Libraries and Museums and certain other authorities administering the Public Libraries Act, 1892	—	106,727
Commissioners of Markets and Fairs	—	56,570
Port Sanitary Authorities.		
Hospitals, &c.	—	29,958
Conservators of Commons and Trustees of certain Open Spaces	—	35,000
Bridge and Ferry Trustees	—	2,550
Trustees of certain Metropolitan Squares	—	1,544
Salmon and Freshwater Fishery Conservancy Boards	—	1,915
Total	—	262,017,152

Return (ordered by the House of Commons on 4th August, 1898, and presented 6th March, 1899) of the water, gas, tramways,

SUMMARY NOTE OF THE

The Principal Undertakings in respect of which particulars are given in this Return are Working Class Dwellings, and Piers, Quays, &c. Totals in respect of each of these

1	2	3	4	5	6
	Capital.				
Name of Undertaking.	Total Capital, inclusive of Borrowed Capital, provided by Corporation.	Amount of Capital Borrowed.	Amount of Capital Borrowed which has been Paid Off.	Balance of Capital Borrowed which was outstanding at 31st March, 1898.	Amount in Sinking Fund or Loans Fund at 31st March, 1898, in respect of Capital Borrowed.
	£	£	£	£	£
Waterworks	48,434,890	46,546,391	5,140,486	41,570,880	1,332,508
Gasworks	20,175,764	19,254,350	3,457,329	15,796,500	1,075,802
Tramways	3,213,654	2,689,384	499,377	2,190,007	104,969
Electric lighting	3,416,711	3,108,533	108,848	2,990,582	101,642
Markets	4,770,301	4,211,695	1,361,518	2,923,191	219,339
Baths, &c.	1,498,079	1,194,407	275,967	914,280	77,453
Cemeteries or burial grounds	1,052,873	990,667	390,170	600,497	53,294
Working class dwellings	718,634	633,475	56,711	576,764	95,067
Piers, quays, &c.	4,797,489	4,676,829	361,522	4,315,307	143,029
Miscellaneous	74,200	74,200	68,976	5,224	494
Total	88,152,595	83,379,931	11,720,904	71,883,232*	3,203,597

* The apparent discrepancy in Col. 5 is due to the fact that sums to the amount of 14,561*l.* given; and sums to the amount of 238,766*l.* are included in Col. 5, particulars in respect of

† The apparent discrepancy in Col. 9 is due to the inclusion in Col. 8 of a sum of 34,889*l.*,

There are other undertakings carried on by town councils, *e.g.*, sewage disposal works, allotments, slaughterhouses, public libraries, harbours, &c., from which revenue is derived, which do

electric lighting, and other reproductive undertakings carried on by municipal boroughs.

LOCAL GOVERNMENT BOARD.

Waterworks, Gasworks, Tramways, Electric Lighting, Markets, Baths, &c., Cemeteries, separate Classes of Undertaking are shown in the following summary.

7	8	9	10	11
		Income.		
Average Annual Income for the Five Years ended 31st March, 1898, or, if the Undertaking commenced during that Period, from Date of Commencement.	Average Annual Working Expenses for the Period mentioned in Col. 7.	Average Annual Net Profit for the same Period.	Average Annual Amount Paid during the same Period in respect of Principal and Interest on Capital Borrowed.	Average Annual Amount set apart for Depreciation.
£	£	£	£	£
2,644,937	902,612	1,744,361	1,699,322	15,211
4,517,126	3,336,918	1,180,208	772,535	37,333
435,942	302,670	133,392	90,705	8,488
304,499	168,755	137,320	126,659	3,747
454,304	204,826	249,908	155,681	460
99,256	119,414	4,871	46,829	2,268
69,418	61,808	13,048	37,567	—
12,514	3,842	8,672	21,837	—
324,780	197,495	127,535	175,427	13,660
35,610	21,257	14,353	709	—
8,898,376	5,319,597	3,613,668†	3,127,271	81,167

are included in Col. 3, particulars in respect of which required for Cols. 4 and 5 cannot be
which required for Cols. 3 and 4 cannot be given.
representing the excess of working expenses over income in certain undertakings.

not appear in this return, as such undertakings have not been considered to be of the kind contemplated by the order of the House.

The JOURNAL OF THE ROYAL STATISTICAL SOCIETY,
Vol. LXIII, Part III (September, 1900).

LIBRARY OF THE UNIVERSITY OF CALIFORNIA

HARRISON AND SONS, PRINTERS IN ORDINARY TO HER MAJESTY, ST. MARTIN'S LANE.

THIS BOOK IS DUE ON THE LAST DATE STAMPED BELOW

AN INITIAL FINE OF 25 CENTS

WILL BE ASSESSED FOR FAILURE TO RETURN THIS BOOK ON THE DATE DUE. THE PENALTY WILL INCREASE TO 50 CENTS ON THE FOURTH DAY AND TO $1.00 ON THE SEVENTH DAY OVERDUE.

MAR 5 1934

24Jun'60 G

REC'D

JUN 15 1960

LD 21-100m-7,'33

HJ9422
.W7
Fowler
159172